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A copy of this Prospectus has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act (Canada).

The shares hereby offered for sale have been purchased from shareholders of the Company, and no proceeds of sale will be received by the Company.

Outstanding Shares

195,000 Common Class A Shares

(without nominal or par value)

Globe Envelopes Limited

(Incorporated under the laws of Canada)

file 62

The Common Class A shares of the Company have been approved for listing on The Toronto Stock Exchange, subject to the filing of documents and evidence of satisfactory distribution.

Transfer Agent and Registrar

Crown Trust Company, Montreal, Toronto, Winnipeg and Vancouver.

Price: \$ 11 per share

We, as principals, offer these shares subject to prior sale and change in price and to the approval of all legal matters by Messrs. Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas, Toronto, on behalf of the Company, and by Messrs. White, Bristol, Beck & Phipps, Toronto, on our behalf.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that interim share certificates, exchangeable without charge for definitive share certificates when available, will be available for delivery on or about July 21, 1960.

DOMINION SECURITIES GRPN. LIMITED

Established 1901

TORONTO
HALIFAX
LONDON

MONTREAL
SAINT JOHN
KITCHENER

OTTAWA
QUEBEC
HAMILTON

VANCOUVER
WINNIPEG
BRANTFORD

NEW YORK
CALGARY
ST. CATHARINES

EDMONTON
FORT WILLIAM

LONDON, ENGLAND
VICTORIA
BOSTON

July 8, 1960

Printed in Canada

Mr. S. E. Beare, President and Managing Director of Globe Envelopes Limited, has supplied the following information:

The Company

General

Globe Envelopes Limited (herein sometimes referred to as the "Company") was incorporated under the laws of Canada in December, 1933 and since that time has been engaged in the manufacture and sale of envelopes and envelope-type products. The Company is one of the largest manufacturers of envelopes in Canada, currently selling to over 4,000 trade and industrial accounts.

The Company manufactures and sells a complete line of commercial envelopes for business and industrial purposes as well as a number of envelope-type products. Sales are made to jobbers, printers, stationers, greeting card manufacturers and large industrial users throughout Canada. Commercial envelopes of many sizes and types account for more than 90% of the Company's gross volume of business.

The head office of the Company is located in Toronto and branch sales offices are maintained in Montreal, Ottawa and Winnipeg as well as a sales agency in Vancouver. The Company's sales force, in conjunction with its appointed distributors, services accounts throughout most of the major cities and towns in Canada.

Products

The Company's envelopes are sold under its widely known trade mark "Bull Dog Gumming". The Company has since its inception followed a consistent policy of advertising its products on a national basis in the major Canadian trade and business publications as well as by direct mail. Among the well known brand names of envelopes which the Company markets are "Globewhite" cartridge, "Glo-tone" colours, "Opako" wove, "Ruffwhite" wove and "Protecto" wove.

Paper and adhesives are the principal raw materials used by the Company in the manufacture of its envelopes and envelope-type products. The Company buys its paper from 7 of the largest Canadian paper mills, the chief types being wove, cartridge, manilla and kraft.

In the past few years the Company has substantially broadened its line of envelopes, with special emphasis on the manufacture of "window" envelopes for which there has been a growing demand due to the increased volume of cheques, invoices and other business papers and the resulting increased use of automatic inserting and mailing machines.

In addition to manufacturing standard types of envelopes, the Company manufactures custom-made envelopes incorporating a wide variety of printing and novelty effects to meet new trends in direct mail and other advertising. Printed envelopes are also designed and manufactured for the packaging of machine parts, powders and other consumer items as well as for sampling purposes, factory work orders, pay distributions, inter-departmental routings and many other specialized uses.

The Company expects to have in production within the next few months a line of "continuous form" envelopes which have been developed, and will be marketed, for use with electronic accounting machines which are being more widely utilized in business and industry.

Plant and Equipment

The Company owns and operates a modern manufacturing plant in Toronto which includes office facilities for its head office, executive and clerical staff. The plant has a floor area of approximately 70,000 square feet with good facilities for shipping and receiving and is well located with respect to rail and trucking services. In addition, the Company leases for its use as a warehouse approximately 15,000 square feet at a location near its building.

In order to provide for future expansion the Company has acquired, alongside its present building, sufficient land to permit an increase of up to 50% in presently owned building facilities, and in addition the Company has acquired other adjacent land for employee parking and other purposes. The total area of such acquisitions is approximately 36,500 square feet.

The Company's plant and equipment are of the most modern in the industry in Canada and since moving to its present building in November, 1953 the Company has been engaged in a broad programme to expand its plant facilities and equipment. During the past 5 fiscal years the Company has expended approximately \$350,000 on equipment for manufacturing and printing envelopes and on property additions and improvements, all provided by funds generated from operations.

The Company owns over 30 wide-range envelope manufacturing and printing machines of North American and European manufacture, including the latest German wide-range machines for manufacturing window envelopes which combine the operations of printing on one or two sides, window die-cutting, window patching, folding and gumming. Since March 31, 1960 the Company has acquired two electronic machines for the banding of envelopes, principally for its greeting card envelope trade.

The plant is equipped to machine-manufacture envelopes ranging in size from 1" x 1 $\frac{1}{4}$ " to 15" x 18" and larger size envelopes are manufactured by semi-automatic processes. Over 800 different envelope dies are owned by the Company, enabling it to manufacture all standard sizes and types of envelopes, as well as adjustable dies for specialty manufacturing purposes. The Company maintains a well-equipped machine shop to service and maintain its machines and equipment and to add new improvements to increase their efficiency.

Research and Development

The Company's development programme involves constant study and development of new products, machinery and manufacturing techniques. The Company has employed a well known research institute for study on the application and drying of adhesives. Recently the Company in conjunction with such research institute developed an improved adhesive for its resealable "Press-to-Seal" envelopes which require no moistening for sealing and permit sealing, opening and resealing for inspection and other purposes.

The Company recently acquired the right to use a new instant-drying adhesive for envelopes which it markets under the name "Glo-seal". This new adhesive possesses unusually good sealing qualities, and as it requires no heat for drying during the envelope manufacturing process an improvement in product is obtained, which is particularly useful to the printing trade where flatness is desirable to promote steady printing production.

Management

Along with the present Vice-Chairman of the Board, Mr. I. C. Hall who was the Company's first President and one of its founders, the President, one of the Vice-Presidents, the General Sales Manager, the Sales Promotion Manager and the General Service Manager have all been associated with the Company continuously for over 25 years and together contribute a wide background of knowledge and experience in the paper converting industry.

Employees

The Company has over 200 employees with whom it enjoys excellent employee relations and of its present staff over 25% have been employed with the Company for more than 15 years.

The Company provides a contributory pension plan and a group insurance plan to eligible employees.

Current Operations

Sales by dollar volume in the period from April 1 to June 30 in 1960 were higher than in the corresponding period in 1959.

Board of Directors

The Board of Directors of the Company has recently been broadened and strengthened and consists of the following:

J. William Horsey, Chairman. . .	Chairman of the Board, Crush International Limited Director, Crown Trust Company
S. E. Beare.	President and Managing Director, Globe Envelopes Limited
John A. Boyd.	Vice-President and Director, Canadian Marconi Company Vice-President and Director, John Inglis Co. Limited
I. C. Hall.	Vice-Chairman of the Board, Globe Envelopes Limited
Grant Horsey.	President and Director, Salada-Shirriff-Horsey Ltd. Senior Vice-President and Director, Green Giant of Canada Limited
L. W. Lawson.	President and Director, Canadian Food Products Limited Vice-Chairman, City of Toronto Planning Board
J. L. Lewtas.	Partner, Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas Secretary and Director, Salada-Shirriff-Horsey Ltd.
A. J. Lynas.	Vice-President, Globe Envelopes Limited
G. E. Phipps.	President and Director, Dominion Securities Corp'n. Limited Director, Lafarge Cement of North America Ltd.

Kalyx Cups Limited

On July 7, 1960 the Company purchased assets and the undertaking of Kalyx Cups Limited (hereinafter sometimes referred to as "Kalyx") all as more fully set out in paragraph 13 of the Statutory Information forming part of this prospectus and as reflected in the Pro Forma Balance Sheet as at March 31, 1960.

Kalyx began operations in December, 1955 and has been engaged in the manufacture and sale of paper cups and containers. Such products are sold under the trade mark "Kalyx" and include a range of 8 sizes of pleated cups for portion control of foods, 2 sizes of pleated drinking cups which are supplied with wall dispensers, two-piece waxed cups for cold drinks and double-wrapped cups for hot drinks, the latter including its "Flavorsealed" brand cups which are plastic-coated to eliminate paper taste.

Kalyx products are sold throughout Canada with the major market areas being in Ontario and Quebec. Sales are made largely through distributors and jobbers, with some direct sales to industrial caterers, railroads, hospitals, hotels and large industrial users.

The facilities for the manufacture of these products are located at the Company's plant in Toronto.

Capitalization

The capitalization of the Company, after giving effect to the acquisition of assets and the undertaking of Kalyx Cups Limited and the other adjustments set out in the accompanying Pro Forma Balance Sheet as at March 31, 1960, is as follows:

	Authorized	Issued	Outstanding
Funded Debt:			
6% Debenture.....	\$400,000	\$400,000	\$400,000
Capital Stock:			
Common Class A shares without nominal or par value.....	1,000,000 shares(1)	195,000 shares	195,000 shares
Common Class B shares without nominal or par value.....	150,000 shares	30,000 shares(2)	30,000 shares(2)

- (1) of which 19,500 have been reserved by the directors of the Company to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.
- (2) all of which are owned by Kalyx Cups Limited as a result of the purchase by the Company of assets and the undertaking of Kalyx Cups Limited as referred to in paragraph 13 of the Statutory Information forming part of this prospectus and as reflected in the Pro Forma Balance Sheet as at March 31, 1960.

Common Shares

The provisions relating to the Common Class A shares and the Common Class B shares are set out in the Statutory Information forming part of this prospectus.

Dividends

The directors have declared a dividend of 13 cents per share on the Common Class A shares payable November 1, 1960 to holders of record October 15, 1960. The directors have also expressed their present intention, if circumstances should from time to time warrant and subject from time to time to the factors usually considered by directors at the time of the declaration of dividends, to declare and pay dividends quarterly on the Common Class A shares.



Globe Envelopes Limited
and
Kalyx Cups Limited

Statement of Combined Earnings
for the ten years ended March 31, 1960

	Years ended March 31		
	<u>1960</u>	<u>1959</u>	<u>1958</u>
Profit before depreciation and taxes on income.....	\$468,865	\$434,704	\$426,026
Depreciation.....	<u>79,838</u>	<u>83,299</u>	<u>74,002</u>
Profit before taxes on income.....	389,027	351,405	352,024
Taxes on income.....	<u>190,230</u>	<u>162,900</u>	<u>158,430</u>
Net profit.....	<u><u>\$198,797</u></u>	<u><u>\$188,505</u></u>	<u><u>\$193,594</u></u>

Reference is hereby made to the Notes to the Statement of Combined Earnings appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited

and

Kalyx Cups Limited

Statement of Combined Earnings for the ten years ended March 31, 1960

Years ended March 31

<u>1957</u>	<u>1956</u> (Note 2)	<u>1955</u>	<u>1954</u> (Note 1)	<u>1953</u>	<u>1952</u>	<u>1951</u>
\$381,842	\$313,018	\$251,939	\$121,781	\$171,295	\$248,592	\$222,267
<u>67,884</u>	<u>56,003</u>	<u>76,849</u>	<u>74,863</u>	<u>68,582</u>	<u>81,729</u>	<u>94,029</u>
313,958	257,015	175,090	46,918	102,713	166,863	128,238
<u>146,677</u>	<u>117,185</u>	<u>83,157</u>	<u>18,369</u>	<u>57,052</u>	<u>90,619</u>	<u>57,273</u>
<u>\$167,281</u>	<u>\$139,830</u>	<u>\$ 91,933</u>	<u>\$ 28,549</u>	<u>\$ 45,661</u>	<u>\$ 76,244</u>	<u>\$ 70,965</u>

Reference is hereby made to the Notes to the Statement of Combined Earnings appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Pro Forma Balance Sheet as at March 31, 1960

After giving effect to:

- (1) The obtaining of supplementary letters patent—
 - (a) subdividing and reclassifying the authorized 2,000 common shares without nominal or par value (of which 1,950 are outstanding) into 200,000 Common Class A shares without nominal or par value (of which 195,000 will be outstanding), and
 - (b) increasing the capital by creating an additional 800,000 Common Class A shares without nominal or par value and 150,000 Common Class B shares without nominal or par value.
- (2) The issue on July 6, 1960 of a 6% Debenture in the principal amount of \$400,000.
- (3) The purchase on July 7, 1960 of the assets and undertaking as at March 31, 1960 of Kalyx Cups Limited other than cash on hand or in bank for a total of \$191,235.70, in consideration of the assumption of the liabilities of that company as at March 31, 1960 and the payment of \$58,846.96 by the issue of 30,000 Common Class B shares of the Company. (Note 1)
- (4) The redemption on July 15, 1960 of all the outstanding 2,500 preference shares of the par value of \$100 each; and, by by-law and supplementary letters patent, the subsequent reduction of authorized capital by the cancellation of such shares and the restoration to earned surplus of the \$250,000 capital surplus resulting from such redemption.
- (5) Payment of dividends aggregating \$9,425 on the preference shares to the date of their redemption; payment on April 15, 1960 of a dividend of \$11,213 on the common shares; and provision for a dividend of \$25,350 on the Common Class A shares, payable November 1, 1960.

ASSETS

Current Assets:

Cash.....	\$338,044	
Accounts receivable (less provision for doubtful accounts of \$22,290).....	454,388	
Inventories—at the lower of cost or market.....	448,803	
Due from employees.....	1,328	
Other.....	10,733	\$1,253,296

Investments:

Investments—at cost.....	10,000
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Fixed Assets:

	Cost	Accumulated depreciation	
Land.....	\$ 92,314	—	
Buildings.....	436,039	155,597	
Machinery and equipment.....	1,001,583	676,642	
	<u>\$1,529,936</u>	<u>\$832,239</u>	697,697
			<u>\$1,960,993</u>

Reference is hereby made to the Notes to the Pro Forma Balance Sheet appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Pro Forma Balance Sheet as at March 31, 1960

LIABILITIES		
Current Liabilities:		
Accounts payable.....	\$210,015	
Income taxes payable.....	94,794	
Other taxes payable.....	62,318	
Dividends payable.....	25,350	
Provision for vacation allowance.....	<u>34,949</u>	\$ 427,426
Funded Debt:		
6% Debenture payable in 10 equal annual instalments on July 6 in each of the years 1961 to 1970, inclusive....		400,000
Capital Stock:		
Authorized:		
1,000,000 Common Class A shares without nominal or par value with one vote per share (Note 2)		
150,000 Common Class B shares without nominal or par value with 3 votes per share		
Issued and fully paid:		
195,000 Common Class A shares.....	1,950	
30,000 Common Class B shares.....	<u>58,847</u>	60,797
Earned Surplus.....		<u>1,072,770</u>
Approved on behalf of the Board		
(signed) I. C. Hall, Director		
(signed) S. E. Beare, Director		
		<u><u>\$1,960,993</u></u>

Reference is hereby made to the Notes to the Pro Forma Balance Sheet appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited

Notes to Financial Statements

Pro Forma Balance Sheet:

1. The assets acquired and liabilities assumed, as at March 31, 1960, of Kalyx Cups Limited were as follows:

ASSETS

Accounts receivable.....	\$ 22,891.39	
Inventories—at the lower of cost or market.....	53,354.55	
Prepaid expenses.....	2,078.43	
Fixed assets (less accumulated depreciation).....	112,911.33	\$191,235.70

LIABILITIES

Accounts payable.....	\$ 13,986.89	
Income taxes payable.....	1,225.03	
Other taxes payable.....	2,387.71	
Provision for vacation allowance.....	937.20	
Accrued interest.....	1,405.58	
5% Note payable to Globe Envelopes Limited, \$10,000 due December 31, 1960 and on December 31 of each succeeding year, with balance payable December 31, 1965.....	112,446.33	\$132,388.74
Net assets acquired.....		<u>\$ 58,846.96</u>

2. 19,500 Common Class A shares have been reserved by the directors of the Company to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.
3. The Company is committed to pay to the Trustees of the Globe Envelopes Limited Pension Plan the sum of \$86,420 by quarterly instalments of \$4,321 until March 31, 1965 in respect of past service liability.

Statement of Combined Earnings:

1. During the year ended March 31, 1954 the Company charged to profit and loss, moving expenses totalling \$39,483 which were of a non-recurring nature.
2. Kalyx Cups Limited was incorporated on December 29, 1955 and commenced business as of that date. Depreciation was not provided on fixed assets in the first fiscal period ended March 31, 1956. A full year's depreciation on the basis used by Kalyx Cups Limited would have been approximately \$7,000. Subsequent to March 31, 1956 Kalyx Cups Limited has recorded depreciation on fixed assets at 5% of cost on a straight line basis. Globe Envelopes Limited records depreciation at the maximum rates allowed for income tax purposes.

Auditors' Report

To the Directors of
Globe Envelopes Limited:

We have examined the pro forma balance sheet of Globe Envelopes Limited as at March 31, 1960 and the statement of combined earnings of Globe Envelopes Limited and Kalyx Cups Limited for the ten years then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us the accompanying pro forma balance sheet and the statement of combined earnings are properly drawn up so as to present fairly the financial position of the company as at March 31, 1960 after giving effect to the transactions set out in the heading of the pro forma balance sheet and the results of the combined operations of the two companies for the ten years then ended, in accordance with generally accepted accounting principles applied on a consistent basis, except as set out in Note 2 to the statement of combined earnings.

Toronto, Canada,
July 8, 1960.

(signed) Deloitte, Plender, Haskins & Sells
Chartered Accountants

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Balance Sheet as at March 31, 1960

ASSETS

Current Assets:

Cash.....	\$ 208,682	
Accounts receivable (less provision for doubtful accounts of \$21,824).....	431,496	
Inventories—at the lower of cost or market.....	395,448	
Note receivable due December 1, 1960 (including accrued interest of \$1,406).....	11,406	
Due from employees.....	1,328	
Other.....	<u>8,655</u>	\$1,057,015

Investments:

Note receivable (less current portion shown above)....	102,446	
Other—at cost.....	<u>10,000</u>	112,446

Fixed Assets:

	Cost	Accumulated depreciation	
Land.....	\$ 92,314	—	
Buildings.....	436,039	155,597	
Machinery and equipment.....	888,672	676,642	
	<u>\$1,417,025</u>	<u>\$ 832,239</u>	<u>584,786</u>
			<u><u>\$1,754,247</u></u>

Reference is hereby made to the Notes to the Balance Sheet appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Balance Sheet as at March 31, 1960

LIABILITIES

Current Liabilities:

Accounts payable.....	\$ 196,028	
Income taxes payable.....	93,569	
Other taxes payable.....	59,930	
Provision for vacation allowance.....	<u>34,012</u>	\$ 383,539

Capital Stock:

Authorized:

2,500 preference shares of the par value of \$100
each.....

2,000 common shares without nominal or par value

Issued and fully paid:

2,500 preference shares.....	250,000	
1,950 common shares.....	<u>1,950</u>	251,950

Earned Surplus.....		<u>1,118,758</u>
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Approved on behalf of the Board

(signed) I. C. Hall, Director

(signed) S. E. Beare, Director

\$1,754,247

Reference is hereby made to the Notes to the Balance Sheet appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited

Statement of Earnings for the ten years ended March 31, 1960

	Years ended March 31		
	1960	1959	1958
Profit before depreciation and taxes on income.....	\$448,728	\$408,339	\$398,965
Depreciation.....	<u>72,817</u>	<u>76,326</u>	<u>67,104</u>
Profit before taxes on income.....	375,911	332,013	331,861
Taxes on income.....	<u>186,300</u>	<u>157,100</u>	<u>154,200</u>
Net profit.....	<u>\$189,611</u>	<u>\$174,913</u>	<u>\$177,661</u>

Reference is hereby made to the Notes to the Statement of Earnings appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited
Statement of Earnings
for the ten years ended March 31, 1960

Years ended March 31

<u>1957</u>	<u>1956</u>	<u>1955</u>	<u>1954</u> (Note 2)	<u>1953</u>	<u>1952</u>	<u>1951</u>
\$362,860	\$309,198	\$251,939	\$121,781	\$171,295	\$248,592	\$222,267
<u>61,265</u>	<u>56,003</u>	<u>76,849</u>	<u>74,863</u>	<u>68,582</u>	<u>81,729</u>	<u>94,029</u>
301,595	253,195	175,090	46,918	102,713	166,863	128,238
<u>142,250</u>	<u>116,335</u>	<u>83,157</u>	<u>18,369</u>	<u>57,052</u>	<u>90,619</u>	<u>57,273</u>
<u>\$159,345</u>	<u>\$136,860</u>	<u>\$ 91,933</u>	<u>\$ 28,549</u>	<u>\$ 45,661</u>	<u>\$ 76,244</u>	<u>\$ 70,965</u>

Reference is hereby made to the Notes to the Statement of Earnings appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited

Notes to Financial Statements

Balance Sheet:

1. The Company is committed to pay to the Trustees of the Globe Envelopes Limited Pension Plan the sum of \$86,420 by quarterly instalments of \$4,321 until March 31, 1965 in respect of past service liability.

Statement of Earnings:

1. The attached statement of earnings for the ten years ended March 31, 1960 includes the operating results of the cup division to December 29, 1955. As at December 29, 1955 the assets and liabilities of this division were sold.
2. During the year ended March 31, 1954 the Company charged to profit and loss, moving expenses totalling \$39,483 which were of a non-recurring nature.

Auditors' Report

To the Directors of
Globe Envelopes Limited:

We have examined the balance sheet of Globe Envelopes Limited as at March 31, 1960 and the statement of earnings for the ten years then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and the statement of earnings are properly drawn up so as to present fairly the financial position of the company as at March 31, 1960 and the results of its operations for the ten years then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Toronto, Canada,
July 8, 1960.

(signed) Deloitte, Plender, Haskins & Sells
Chartered Accountants

Statutory Information

1. Globe Envelopes Limited (hereinafter called the "Company") was incorporated under the laws of Canada by Letters Patent dated December 29, 1933. Supplementary Letters Patent respectively dated February 13, 1937 and July 7, 1960 were issued to the Company, the latter changing the Company from a private to a public company, authorizing the payment of commissions and confirming By-law Number 22 of the Company which: subdivided the 2,000 previously authorized common shares of the Company into 200,000 common shares without nominal or par value; reclassified such shares as 200,000 Common Class A shares without nominal or par value; and increased the capital of the Company by the creation of an additional 800,000 Common Class A shares without nominal or par value and 150,000 Common Class B shares without nominal or par value. With all reasonable despatch after July 15, 1960 the Company will apply for Supplementary Letters Patent confirming the provisions of a by-law to be enacted by its directors reducing the authorized capital of the Company by cancelling the 2,500 preference shares of the par value of \$100 each of the capital stock of the Company to be redeemed on that date and restoring to earned surplus the capital surplus resulting from such redemption. The address of the head office of the Company is 1070 Queen Street East, Toronto, Ontario.
2. The full names, descriptions, present occupations and home addresses of the directors, chief executive officers, officers and auditors of the Company are as follows:

Directors

Samuel Edward Beare.....	Executive.....	115 Bessborough Drive, Leaside, Ontario.
John Alexander Boyd.....	Executive.....	36 Maple Avenue, Toronto, Ontario.
Irving Cecil Hall.....	Executive.....	17 Parkwood Avenue, Toronto, Ontario.
John William Horsey.....	Executive.....	R.R. No. 1, Todmorden, Ontario.
William Grant Horsey.....	Executive.....	12 Daleberry Place, Willowdale, Ontario.
Lewis Willard Lawson.....	Executive.....	155 Heath Street West, Toronto, Ontario.
James Lawrence Lewtas.....	Solicitor.....	4 High Point Road, Todmorden, Ontario.
Andrew James Lynas.....	Executive.....	24 Hillside Drive South, Toronto, Ontario.
Geoffrey Edmund Phipps.....	Investment Dealer.....	81 Dunvegan Road, Toronto, Ontario.

Chief Executive Officers and Officers

John William Horsey.....	Chairman of the Board.....	R.R. No. 1, Todmorden, Ontario.
Irving Cecil Hall.....	Vice-Chairman of the Board.....	17 Parkwood Avenue, Toronto, Ontario.
Samuel Edward Beare.....	President and Managing Director.....	115 Bessborough Drive, Leaside, Ontario.
William Grant Horsey.....	Vice-President.....	12 Daleberry Place, Willowdale, Ontario.
Andrew James Lynas.....	Vice-President.....	24 Hillside Drive South, Toronto, Ontario.
James Lawrence Lewtas.....	Secretary.....	4 High Point Road, Todmorden, Ontario.
John Alexander McCleery.....	Treasurer.....	57 Rollscourt Drive, Willowdale, Ontario.

Auditors

Deloitte, Plender, Haskins & Sells . . . Chartered Accountants . . . 55 Yonge Street, Toronto, Ontario.

3. The Company is engaged in the manufacture and sale of envelopes, paper cups and containers.
4. The authorized share capital of the Company consists of: 2,500 preference shares of the par value of \$100 each, all of which have been issued and fully paid and are outstanding but have been called for redemption on July 15, 1960; 1,000,000 Common Class A shares without nominal or par value, of which 195,000 have been issued and fully paid and are outstanding; and 150,000 Common Class B shares without nominal or par value, of which 30,000 have been issued and fully paid and are outstanding.

The Company at its head office, 1070 Queen Street East, Toronto, keeps the registers for its preference shares and Common Class B shares.

Crown Trust Company, at Montreal, Toronto, Winnipeg and Vancouver, is the transfer agent and registrar for the Common Class A shares of the Company.

5. A description of the respective voting rights, preferences, conversion and exchange rights, rights to dividends, profits or capital of each class of shares, including redemption rights and rights on liquidation or distribution of capital assets, is as follows:

Preference Shares

All the outstanding preference shares of the par value of \$100 each have been called for redemption according to their terms on July 15, 1960, after which date the holders will have no rights in respect thereof except to receive the redemption price of \$100 and accrued dividend per share against surrender of share certificates.

Common Class A Shares and Common Class B Shares

Each Common Class A share and each Common Class B share shall rank equally and *pari passu*, and entitle the respective holders thereof to the same rights, privileges and benefits, save as follows:

- (a) prior to July 8, 1962 no cash dividends shall be paid on the Common Class B shares;
 - (b) on and after July 8, 1962 the cash dividends paid on each Common Class A share and each Common Class B share shall at all times be identical, except only that additional cash dividends (in an aggregate amount not exceeding the aggregate amount of cash dividends which would have been paid on the Common Class B shares prior to July 8, 1962 if identical cash dividends had been paid on each Common Class A share and each Common Class B share from and after July 7, 1960 to July 8, 1962) may be paid on the Common Class B shares from time to time outstanding; and
 - (c) each Common Class A share shall entitle the holder thereof to one vote and each Common Class B share shall entitle the holder thereof to three votes at all general meetings of shareholders of the Company.
6. On July 6, 1960 the Company issued a 6% Debenture in the principal amount of \$400,000, payable in 10 equal annual instalments of \$40,000 each on July 6 in each of the years 1961 to 1970, inclusive. Such debenture is unsecured and provides, *inter alia*, that in the event of any default the entire outstanding principal amount thereunder shall, at the option of the holder thereof, forthwith become due and payable, that the Company may prepay at any time the whole or from time to time any part of the outstanding principal sum thereunder without giving any notice or paying any bonus, and that the Company will not, while the same is outstanding, without the prior consent of the holder thereof, mortgage, pledge or charge any or all of its assets or undertaking, provided that the Company will have the right to mortgage, pledge or charge any assets acquired after July 6, 1960 to and in favour of the vendor or vendors thereof to secure all or any part of the purchase price thereof. Except for the said debenture and the 30,000 outstanding Common Class B shares no securities of the Company have been issued or are proposed to be issued which would rank ahead of or *pari passu* with the securities offered by this prospectus.

7. No substantial indebtedness is intended to be created or assumed which is not shown in the Pro Forma Balance Sheet as at March 31, 1960 forming part of this prospectus to which reference is hereby made.
8. The directors of the Company have reserved 19,500 Common Class A shares to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.
9. The securities offered by this prospectus are 195,000 Common Class A shares without nominal or par value of the capital stock of the Company, which are offered to the public at the price and on the terms stated on the face of this prospectus to which reference is hereby made. No securities have been offered by the Company for subscription within the two years preceding the date of this prospectus. However, the securities respectively referred to in paragraphs 6 and 13 hereof have been issued during such period.
10. The securities offered by this prospectus are outstanding shares and no proceeds of sale will be received by the Company.

By agreement made June 13, 1960 between I. C. Hall, M. J. Reid, N. E. Phipps, S. E. Beare, A. J. Lynas and Globe Converters Holdings Limited, as vendors, Crown Trust Company (as agent for Dominion Securities Corp'n. Limited), as purchaser, and Edwin Myers and Clifford Taylor, which agreement was subsequently assigned by Crown Trust Company to Dominion Securities Corp'n. Limited, Crown Trust Company agreed to buy, and the said vendors agreed to sell, all the then outstanding 1,950 common shares without nominal or par value of the capital stock of the Company for the aggregate purchase price of \$1,950,000, such purchase price being equivalent to \$10 for each of the 195,000 Common Class A shares offered by this prospectus at \$11 per share. The expenses in connection with such purchase and such offering are estimated to be 30 cents per share, all of which are to be paid by Dominion Securities Corp'n. Limited.

11. The aggregate remuneration paid by the Company during its last financial year ended March 31, 1960 to its directors as such was \$7,500 and to its officers as such who individually received remuneration in excess of \$10,000 per annum was \$73,866.30. The aggregate remuneration estimated to be paid or payable during the current financial year of the Company to its directors as such is \$5,000, and to its officers as such who individually may be entitled to receive remuneration in excess of \$10,000 per annum is \$75,000.
12. No amount has been paid within the 2 years preceding the date of this prospectus or is payable as a commission by the Company for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or obligations of the Company.
13. Except for transactions entered into in the ordinary course of operations or on the general credit of the Company, and except as follows, no property has been purchased or acquired by the Company, or is proposed to be purchased or acquired, the purchase price of which has been paid within the 2 years preceding the date of this prospectus or is to be paid in whole or in part in securities of the Company, or the purchase or acquisition of which has not been completed at the date of this prospectus:

By agreement of purchase and sale dated July 7, 1960 made between the Company, as purchaser, and Kalyx Cups Limited, Toronto, Ontario, as vendor, the Company purchased all the assets and undertaking as at March 31, 1960 of the vendor other than cash on hand or in bank for the price of \$191,235.70 whereof \$132,388.74 was paid by the assumption of the liabilities of the vendor as at March 31, 1960 and the balance of \$58,846.96 was paid by the allotment and issuance to the vendor of 30,000 Common Class B shares of the capital stock of the Company as fully paid and non-assessable shares. The business of the vendor is deemed to have been carried on for the Company's account as a going concern from and after April 1, 1960. All the assets so purchased by the Company have been transferred to it free of encumbrance.

Mr. J. William Horsey and certain members of his family are the beneficial owners of all of the issued and outstanding shares of Maubank Limited, which is the beneficial owner of all of the issued and outstanding shares of Kalyx Cups Limited.

14. Within the 2 years preceding the date of this prospectus no securities have been issued or agreed to be issued by the Company as fully or partly paid up otherwise than in cash except the 30,000 Common Class B shares of the capital stock of the Company allotted and issued as fully paid and non-assessable shares to Kalyx Cups Limited in payment of part of the purchase price of the aforesaid assets and the undertaking of Kalyx Cups Limited pursuant to the agreement referred to in paragraph 13 hereof.
15. No amount has been paid within the 2 years preceding the date hereof or is intended to be paid to any promoter.
16. No material contracts have been entered into within the 2 years preceding the date hereof other than contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company, except:
 - (i) agreement dated September 17, 1959 made between Maubank Limited, Toronto, Canada, as purchaser, and the Company, I. C. Hall, N. E. Phipps, M. J. Reid, S. E. Beare, A. J. Lynas, S. E. Beare, Trustee, E. J. Myers and C. N. Taylor, as vendors, providing for the sale and purchase of all the issued and outstanding shares of the capital stock of Kalyx Cups Limited, being 1,950 common shares without nominal or par value and 250 preferred shares of the par value of \$100 each, for an aggregate purchase price of \$100,000;
 - (ii) agreement dated September 30, 1959 made between the Company and Kalyx Cups Limited providing, inter alia, for the management and operation by the Company of the business of Kalyx Cups Limited in consideration of a monthly management fee payable by Kalyx Cups Limited to the Company and for the carrying on of such business at the premises of the Company at 1070 Queen Street East, Toronto, Ontario, in consideration of a monthly rental payable by Kalyx Cups Limited to the Company;
 - (iii) the Debenture referred to in paragraph 6 hereof; and
 - (iv) the agreement of purchase and sale referred to in paragraph 13 hereof.

Copies of the said agreements may be inspected at the head office of the Company, 1070 Queen Street East, Toronto, Ontario, in ordinary business hours of any business day during the period of primary distribution of the securities offered hereby.

17. The by-laws of the Company provide that in addition to his remuneration in respect of his services as an officer or an employee of the Company or in any other capacity, any director shall be entitled to such remuneration either for special services or for the ordinary duties of a director as the board of directors may from time to time by resolution determine.
18. Dominion Securities Corp'n. Limited, 50 King Street West, Toronto, Ontario, as the beneficial owner of all of the outstanding 195,000 Common Class A shares of the capital stock of the Company, is in a position to, or is entitled to, elect or cause to be elected all of the directors of the Company. All of the said shares held by Dominion Securities Corp'n. Limited are offered by this prospectus.
19. During the five years preceding the date of this prospectus the Company has paid dividends aggregating \$233,262.50 of which \$87,500 was paid on the preference shares of the Company.

Dated: July 8, 1960.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), by section 39 of The Securities Act, 1954 (Saskatchewan), by section 13 of the Security Frauds Prevention Act (New Brunswick), by Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible.

Directors

(signed) I. C. Hall

(signed) S. E. Beare

(signed) A. J. Lynas

(signed) Grant Horsey

(signed) L. W. Lawson

(signed) G. E. Phipps

(signed) James L. Lewtas

(signed) J. W. Horsey
by James L. Lewtas, Agent

(signed) J. A. Boyd
by James L. Lewtas, Agent

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), by section 39 of The Securities Act, 1954 (Saskatchewan), by section 13 of the Security Frauds Prevention Act (New Brunswick), by Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge, we have relied upon the accuracy and adequacy of the foregoing.

DOMINION SECURITIES CORPN. LIMITED

By: (signed) Peter Jaffray

The following are the names of every person having an interest, either directly or indirectly, to the extent of not less than 5% in the capital of Dominion Securities Corp. Limited; G. E. Phipps, G. P. Rutherford, H. N. Bawden, N. D. Young, J. G. K. Strathy, S. E. Nixon, D. H. Ward, J. R. Clarke, A. I. Matheson and C. E. Jolly.

Outstanding Shares

195,000
Common Class A Shares



Globe Envelopes Limited

Prospectus

Price: \$11 per share

DOMINION SECURITIES CORPN. LIMITED

Established 1901

TORONTO	MONTREAL	OTTAWA	VANCOUVER	NEW YORK	LONDON, ENG.
HALIFAX	SAINT JOHN	QUEBEC	WINNIPEG	CALGARY	EDMONTON
LONDON	KITCHENER	HAMILTON	BRANTFORD	ST. CATHARINES	FORT WILLIAM
					BOSTON

July 8, 1960

Printed in Canada

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT No. 2055

LISTED AUGUST 17th, 1960.
195,000 Common Class A shares without par value.
Ticker abbreviation "GLVA".
Dial ticker number 445.
Post section 2.3.

TORONTO STOCK EXCHANGE

LISTING STATEMENT

SEP 12 1960

GLOBE ENVELOPES LIMITED

Incorporated under the laws of Canada by Letters
Patent dated December 29, 1933.

COMMON CLASS A SHARES WITHOUT NOMINAL OR PAR VALUE
CAPITALIZATION AS AT AUGUST 12, 1960

CAPITAL STOCK:

	AUTHORIZED	OUTSTANDING	TO BE LISTED
Common Class A shares without nominal or par value....	1,000,000	195,000	195,000
Common Class B shares without nominal or par value....	150,000	30,000	—

FUNDED DEBT:

6% Debenture payable in 10 equal annual instalments on July 6 in each of the years 1961 to 1970, inclusive	\$ 400,000	\$400,000	—
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August 12, 1960.

1. APPLICATION

Globe Envelopes Limited (hereinafter called the "Company") hereby makes application for the listing on the Toronto Stock Exchange of 195,000 Common Class A shares without nominal or par value in the capital stock of the Company, all of such shares having been issued and being outstanding as fully paid and non-assessable.

2. HISTORY

The Company was incorporated under the laws of Canada on December 29, 1933 and since that time has been engaged in the manufacture and sale of envelopes and envelope-type products.

On July 7, 1960 the Company purchased assets and the undertaking of Kalyx Cups Limited, a company engaged in the manufacture and sale of paper cups and containers.

3. NATURE OF BUSINESS AND NUMBER OF EMPLOYEES

The Company manufactures and sells a complete line of commercial envelopes for business and industrial purposes as well as a number of envelope-type products and is one of the largest manufacturers of envelopes in Canada, currently selling to over 4,000 trade and industrial accounts.

The Company's sales force, in conjunction with its appointed distributors, services accounts throughout most of the major cities and towns in Canada. Sales are made to jobbers, printers, stationers, greeting card manufacturers and large industrial users.

Under the trade mark "Kalyx" the Company manufactures and sells a range of paper cups and containers throughout Canada. Sales are made largely through distributors and jobbers, with some direct sales to industrial caterers, railroads, hospitals, hotels and large industrial users.

The Company has over 200 employees.

4. INCORPORATION AND CAPITAL CHANGES

The Company was incorporated under the provisions of Part I of The Companies Act, R.S.C. 1927, Chapter 27, by Letters Patent dated December 29, 1933 with an authorized capital stock consisting of 1,000 preference shares of the par value of \$100 each and 2,000 common shares without nominal or par value.

By Supplementary Letters Patent dated February 13, 1937 the capital stock of the Company was increased by the creation of an additional 1,500 preference shares of the par value of \$100 each ranking on a parity with the said 1,000 preference shares of the par value of \$100 each.

By Supplementary Letters Patent dated July 7, 1960 the said 2,000 common shares without nominal or par value in the capital stock of the Company were subdivided into 200,000 common shares without nominal or par value; the said 200,000 common shares without nominal or par value were reclassified as 200,000 Common Class A shares without nominal or par value; and the capital stock of the Company was

increased by the creation of an additional 800,000 Common Class A shares without nominal or par value ranking on a parity with the said 200,000 Common Class A shares without nominal or par value and the creation of 150,000 Common Class B shares without nominal or par value.

By Supplementary Letters Patent dated July 19, 1960 the capital stock of the Company was reduced by the cancellation of the said 2,500 preference shares of the par value of \$100 each, all of which had been issued and redeemed, and the sum of \$250,000 being the amount designated as the capital surplus resulting from such redemption was restored to earned surplus of the Company.

5. NO PERSONAL LIABILITY - OPINION OF COUNSEL

Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas, 80 King Street West, Toronto, Ontario, counsel for the Company are filing in support of this application an opinion stating that the Company was duly incorporated and organized under the provisions of Part I of The Companies Act, R.S.C. 1927, Chapter 27, by Letters Patent dated December 29, 1933, that the authorized capital of the Company consists of 1,000,000 Common Class A shares without nominal or par value and 150,000 Common Class B shares without nominal or par value and that 195,000 of the said 1,000,000 Common Class A shares without nominal or par value have been validly issued and are outstanding as fully paid and non-assessable shares.

James Lawrence Lewtas, who is a partner in the firm of Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas, is a director and the secretary of the Company.

6. SHARE ISSUES DURING PAST TEN YEARS

No shares of the Company have been issued during the past ten years.

7. STOCK PROVISIONS AND VOTING POWERS

A summary of the rights, preferences, conditions, restrictions, limitations and prohibitions attaching to the Common Class A shares without nominal or par value and the Common Class B shares without nominal or par value is as follows:

Each Common Class A share and each Common Class B share shall rank equally and *pari passu*, and entitle the respective holders thereof to the same rights, privileges and benefits, save as follows:

- (a) prior to July 8, 1962 no cash dividends shall be paid on the Common Class B shares;
- (b) on and after July 8, 1962 the cash dividends paid on each Common Class A share and each Common Class B share shall at all times be identical, except only that additional cash dividends (in an aggregate amount not exceeding the aggregate amount of cash dividends which would have been paid on the Common Class B shares prior to July 8, 1962 if identical cash dividends had been paid on each Common Class A share and each Common Class B share from and after July 7, 1960 to July 8, 1962) may be paid on the Common Class B shares from time to time outstanding; and
- (c) each Common Class A share shall entitle the holder thereof to one vote and each Common Class B share shall entitle the holder thereof to three votes at all general meetings of shareholders of the Company.

8. DIVIDEND RECORD

PREFERENCE SHARES

YEAR	DATE PAID	RATE	AGGREGATE AMOUNT
1950	April 1, 1950	\$1.75	\$4,375
	July 1, 1950	1.75	4,375
	October 1, 1950	1.75	4,375
1951	January 2, 1951	1.75	4,375
	April 2, 1951	1.75	4,375
	July 2, 1951	1.75	4,375
	October 1, 1951	1.75	4,375
1952	January 2, 1952	1.75	4,375
	April 1, 1952	1.75	4,375
	July 1, 1952	1.75	4,375
	October 1, 1952	1.75	4,375
	December 31, 1952	1.75	4,375
1953	April 1, 1953	1.75	4,375
	July 1, 1953	1.75	4,375
	October 1, 1953	1.75	4,375
	December 1, 1953	1.75	4,375
1954	April 1, 1954	1.75	4,375
	July 2, 1954	1.75	4,375
	October 1, 1954	1.75	4,375
1955	January 3, 1955	1.75	4,375
	April 1, 1955	1.75	4,375
	July 2, 1955	1.75	4,375
	October 1, 1955	1.75	4,375
1956	January 2, 1956	1.75	4,375
	April 2, 1956	1.75	4,375
	July 3, 1956	1.75	4,375
	October 1, 1956	1.75	4,375

A copy of this Prospectus has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act (Canada).

The shares hereby offered for sale have been purchased from shareholders of the Company, and no proceeds of sale will be received by the Company.

Outstanding Shares

195,000 Common Class A Shares
(without nominal or par value)

Globe Envelopes Limited
(Incorporated under the laws of Canada)

The Common Class A shares of the Company have been approved for listing on The Toronto Stock Exchange, subject to the filing of documents and evidence of satisfactory distribution.

Transfer Agent and Registrar
Crown Trust Company, Montreal, Toronto, Winnipeg and Vancouver.

Price: \$ 11 per share

We, as principals, offer these shares subject to prior sale and change in price and to the approval of all legal matters by Messrs. Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas, Toronto, on behalf of the Company, and by Messrs. White, Bristol, Beck & Phipps, Toronto, on our behalf.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that interim share certificates, exchangeable without charge for definitive share certificates when available, will be available for delivery on or about July 21, 1960.

Mr. S. E. Beare, President and Managing Director of Globe Envelopes Limited, has supplied the following information:

The Company

General

Globe Envelopes Limited (herein sometimes referred to as the "Company") was incorporated under the laws of Canada in December, 1933 and since that time has been engaged in the manufacture and sale of envelopes and envelope-type products. The Company is one of the largest manufacturers of envelopes in Canada, currently selling to over 4,000 trade and industrial accounts.

The Company manufactures and sells a complete line of commercial envelopes for business and industrial purposes as well as a number of envelope-type products. Sales are made to jobbers, printers, stationers, greeting card manufacturers and large industrial users throughout Canada. Commercial envelopes of many sizes and types account for more than 90% of the Company's gross volume of business.

The head office of the Company is located in Toronto and branch sales offices are maintained in Montreal, Ottawa and Winnipeg as well as a sales agency in Vancouver. The Company's sales force, in conjunction with its appointed distributors, services accounts throughout most of the major cities and towns in Canada.

Products

The Company's envelopes are sold under its widely known trade mark "Bull Dog Gumming". The Company has since its inception followed a consistent policy of advertising its products on a national basis in the major Canadian trade and business publications as well as by direct mail. Among the well known brand names of envelopes which the Company markets are "Globewhite" cartridge, "Glo-tone" colours, "Opako" wove, "Ruffwhite" wove and "Protecto" wove.

Paper and adhesives are the principal raw materials used by the Company in the manufacture of its envelopes and envelope-type products. The Company buys its paper from 7 of the largest Canadian paper mills, the chief types being wove, cartridge, manilla and kraft.

In the past few years the Company has substantially broadened its line of envelopes, with special emphasis on the manufacture of "window" envelopes for which there has been a growing demand due to the increased volume of cheques, invoices and other business papers and the resulting increased use of automatic inserting and mailing machines.

In addition to manufacturing standard types of envelopes, the Company manufactures custom-made envelopes incorporating a wide variety of printing and novelty effects to meet new trends in direct mail and other advertising. Printed envelopes are also designed and manufactured for the packaging of machine parts, powders and other consumer items as well as for sampling purposes, factory work orders, pay distributions, inter-departmental routings and many other specialized uses.

The Company expects to have in production within the next few months a line of "continuous form" envelopes which have been developed, and will be marketed, for use with electronic accounting machines which are being more widely utilized in business and industry.

Plant and Equipment

The Company owns and operates a modern manufacturing plant in Toronto which includes office facilities for its head office, executive and clerical staff. The plant has a floor area of approximately 70,000 square feet with good facilities for shipping and receiving and is well located with respect to rail and trucking services. In addition, the Company leases for its use as a warehouse approximately 15,000 square feet at a location near its building.

In order to provide for future expansion the Company has acquired, alongside its present building, sufficient land to permit an increase of up to 50% in presently owned building facilities, and in addition the Company has acquired other adjacent land for employee parking and other purposes. The total area of such acquisitions is approximately 36,500 square feet.

The Company's plant and equipment are of the most modern in the industry in Canada and since moving to its present building in November, 1953 the Company has been engaged in a broad programme to expand its plant facilities and equipment. During the past 5 fiscal years the Company has expended approximately \$350,000 on equipment for manufacturing and printing envelopes and on property additions and improvements, all provided by funds generated from operations.

The Company owns over 30 wide-range envelope manufacturing and printing machines of North American and European manufacture, including the latest German wide-range machines for manufacturing window envelopes which combine the operations of printing on one or two sides, window die-cutting, window patching, folding and gumming. Since March 31, 1960 the Company has acquired two electronic machines for the banding of envelopes, principally for its greeting card envelope trade.

The plant is equipped to machine-manufacture envelopes ranging in size from 1" x 1 $\frac{1}{4}$ " to 15" x 18" and larger size envelopes are manufactured by semi-automatic processes. Over 800 different envelope dies are owned by the Company, enabling it to manufacture all standard sizes and types of envelopes, as well as adjustable dies for specialty manufacturing purposes. The Company maintains a well-equipped machine shop to service and maintain its machines and equipment and to add new improvements to increase their efficiency.

Research and Development

The Company's development programme involves constant study and development of new products, machinery and manufacturing techniques. The Company has employed a well known research institute for study on the application and drying of adhesives. Recently the Company in conjunction with such research institute developed an improved adhesive for its resealable "Press-to-Seal" envelopes which require no moistening for sealing and permit sealing, opening and resealing for inspection and other purposes.

The Company recently acquired the right to use a new instant-drying adhesive for envelopes which it markets under the name "Glo-seal". This new adhesive possesses unusually good sealing qualities, and as it requires no heat for drying during the envelope manufacturing process an improvement in product is obtained, which is particularly useful to the printing trade where flatness is desirable to promote steady printing production.

Management

Along with the present Vice-Chairman of the Board, Mr. I. C. Hall who was the Company's first President and one of its founders, the President, one of the Vice-Presidents, the General Sales Manager, the Sales Promotion Manager and the General Service Manager have all been associated with the Company continuously for over 25 years and together contribute a wide background of knowledge and experience in the paper converting industry.

Employees

The Company has over 200 employees with whom it enjoys excellent employee relations and of its present staff over 25% have been employed with the Company for more than 15 years.

The Company provides a contributory pension plan and a group insurance plan to eligible employees.

Current Operations

Sales by dollar volume in the period from April 1 to June 30 in 1960 were higher than in the corresponding period in 1959.

Board of Directors

The Board of Directors of the Company has recently been broadened and strengthened and consists of the following:

J. William Horsey, Chairman.....	Chairman of the Board, Crush International Limited Director, Crown Trust Company
S. E. Beare.....	President and Managing Director, Globe Envelopes Limited
John A. Boyd.....	Vice-President and Director, Canadian Marconi Company Vice-President and Director, John Inglis Co. Limited
I. C. Hall.....	Vice-Chairman of the Board, Globe Envelopes Limited
Grant Horsey.....	President and Director, Salada-Shirriff-Horsey Ltd. Senior Vice-President and Director, Green Giant of Canada Limited
L. W. Lawson.....	President and Director, Canadian Food Products Limited Vice-Chairman, City of Toronto Planning Board
J. L. Lewtas.....	Partner, Arnoldi, Parry, Campbell, Pyle, Godfrey & Lewtas Secretary and Director, Salada-Shirriff-Horsey Ltd.
A. J. Lynas.....	Vice-President, Globe Envelopes Limited
G. E. Phipps.....	President and Director, Dominion Securities Corp'n. Limited Director, Lafarge Cement of North America Ltd.

Kalyx Cups Limited

On July 7, 1960 the Company purchased assets and the undertaking of Kalyx Cups Limited (hereinafter sometimes referred to as "Kalyx") all as more fully set out in paragraph 13 of the Statutory Information forming part of this prospectus and as reflected in the Pro Forma Balance Sheet as at March 31, 1960.

Kalyx began operations in December, 1955 and has been engaged in the manufacture and sale of paper cups and containers. Such products are sold under the trade mark "Kalyx" and include a range of 8 sizes of pleated cups for portion control of foods, 2 sizes of pleated drinking cups which are supplied with wall dispensers, two-piece waxed cups for cold drinks and double-wrapped cups for hot drinks, the latter including its "Flavorsealed" brand cups which are plastic-coated to eliminate paper taste.

Kalyx products are sold throughout Canada with the major market areas being in Ontario and Quebec. Sales are made largely through distributors and jobbers, with some direct sales to industrial caterers, railroads, hospitals, hotels and large industrial users.

The facilities for the manufacture of these products are located at the Company's plant in Toronto.

Capitalization

The capitalization of the Company, after giving effect to the acquisition of assets and the undertaking of Kalyx Cups Limited and the other adjustments set out in the accompanying Pro Forma Balance Sheet as at March 31, 1960, is as follows:

	Authorized	Issued	Outstanding
Funded Debt:			
6% Debenture.....	\$400,000	\$400,000	\$400,000
Capital Stock:			
Common Class A shares without nominal or par value.....	1,000,000 shares(1)	195,000 shares	195,000 shares
Common Class B shares without nominal or par value.....	150,000 shares	30,000 shares(2)	30,000 shares(2)

(1) of which 19,500 have been reserved by the directors of the Company to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.

(2) all of which are owned by Kalyx Cups Limited as a result of the purchase by the Company of assets and the undertaking of Kalyx Cups Limited as referred to in paragraph 13 of the Statutory Information forming part of this prospectus and as reflected in the Pro Forma Balance Sheet as at March 31, 1960.

Common Shares

The provisions relating to the Common Class A shares and the Common Class B shares are set out in the Statutory Information forming part of this prospectus.

Dividends

The directors have declared a dividend of 13 cents per share on the Common Class A shares payable November 1, 1960 to holders of record October 15, 1960. The directors have also expressed their present intention, if circumstances should from time to time warrant and subject from time to time to the factors usually considered by directors at the time of the declaration of dividends, to declare and pay dividends quarterly on the Common Class A shares.



Globe Envelopes Limited
and
Kalyx Cups Limited
Statement of Combined Earnings
for the ten years ended March 31, 1960

	Years ended March 31		
	<u>1960</u>	<u>1959</u>	<u>1958</u>
Profit before depreciation and taxes on income.....	\$468,865	\$434,704	\$426,026
Depreciation.....	<u>79,838</u>	<u>83,299</u>	<u>74,002</u>
Profit before taxes on income.....	389,027	351,405	352,024
Taxes on income.....	<u>190,230</u>	<u>162,900</u>	<u>158,430</u>
Net profit.....	<u>\$198,797</u>	<u>\$188,505</u>	<u>\$193,594</u>

Reference is hereby made to the Notes to the Statement of Combined Earnings appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited
and
Kalyx Cups Limited

Statement of Combined Earnings
for the ten years ended March 31, 1960

Years ended March 31

<u>1957</u>	<u>1956</u> (Note 2)	<u>1955</u>	<u>1954</u> (Note 1)	<u>1953</u>	<u>1952</u>	<u>1951</u>
\$381,842	\$313,018	\$251,939	\$121,781	\$171,295	\$248,592	\$222,267
<u>67,884</u>	<u>56,003</u>	<u>76,849</u>	<u>74,863</u>	<u>68,582</u>	<u>81,729</u>	<u>94,029</u>
313,958	257,015	175,090	46,918	102,713	166,863	128,238
<u>146,677</u>	<u>117,185</u>	<u>83,157</u>	<u>18,369</u>	<u>57,052</u>	<u>90,619</u>	<u>57,273</u>
<u>\$167,281</u>	<u>\$139,830</u>	<u>\$ 91,933</u>	<u>\$ 28,549</u>	<u>\$ 45,661</u>	<u>\$ 76,244</u>	<u>\$ 70,965</u>

Reference is hereby made to the Notes to the Statement of Combined Earnings appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Pro Forma Balance Sheet as at March 31, 1960

After giving effect to:

- (1) The obtaining of supplementary letters patent—
 - (a) subdividing and reclassifying the authorized 2,000 common shares without nominal or par value (of which 1,950 are outstanding) into 200,000 Common Class A shares without nominal or par value (of which 195,000 will be outstanding), and
 - (b) increasing the capital by creating an additional 800,000 Common Class A shares without nominal or par value and 150,000 Common Class B shares without nominal or par value.
- (2) The issue on July 6, 1960 of a 6% Debenture in the principal amount of \$400,000.
- (3) The purchase on July 7, 1960 of the assets and undertaking as at March 31, 1960 of Kalyx Cups Limited other than cash on hand or in bank for a total of \$191,235.70, in consideration of the assumption of the liabilities of that company as at March 31, 1960 and the payment of \$58,846.96 by the issue of 30,000 Common Class B shares of the Company. (Note 1)
- (4) The redemption on July 15, 1960 of all the outstanding 2,500 preference shares of the par value of \$100 each; and, by by-law and supplementary letters patent, the subsequent reduction of authorized capital by the cancellation of such shares and the restoration to earned surplus of the \$250,000 capital surplus resulting from such redemption.
- (5) Payment of dividends aggregating \$9,425 on the preference shares to the date of their redemption; payment on April 15, 1960 of a dividend of \$11,213 on the common shares; and provision for a dividend of \$25,350 on the Common Class A shares, payable November 1, 1960.

ASSETS

Current Assets:

Cash.....	\$338,044	
Accounts receivable (less provision for doubtful accounts of \$22,290).....	454,388	
Inventories—at the lower of cost or market.....	448,803	
Due from employees.....	1,328	
Other.....	<u>10,733</u>	\$1,253,296

Investments:

Investments—at cost.....		10,000
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Fixed Assets:

	Cost	Accumulated depreciation	
Land.....	\$ 92,314	—	
Buildings.....	436,039	155,597	
Machinery and equipment.....	<u>1,001,583</u>	<u>676,642</u>	
	<u>\$1,529,936</u>	<u>\$832,239</u>	697,697
			<u>\$1,960,993</u>

Reference is hereby made to the Notes to the Pro Forma Balance Sheet appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Pro Forma Balance Sheet as at March 31, 1960

LIABILITIES		
Current Liabilities:		
Accounts payable.....	\$210,015	
Income taxes payable.....	94,794	
Other taxes payable.....	62,318	
Dividends payable.....	25,350	
Provision for vacation allowance.....	<u>34,949</u>	\$ 427,426
Funded Debt:		
6% Debenture payable in 10 equal annual instalments on July 6 in each of the years 1961 to 1970, inclusive. . .		400,000
Capital Stock:		
Authorized:		
1,000,000 Common Class A shares without nominal or par value with one vote per share (Note 2)		
150,000 Common Class B shares without nominal or par value with 3 votes per share		
Issued and fully paid:		
195,000 Common Class A shares.....	1,950	
30,000 Common Class B shares.....	<u>58,847</u>	60,797
Earned Surplus.....		<u>1,072,770</u>
Approved on behalf of the Board		
(signed) I. C. Hall, Director		
(signed) S. E. Beare, Director		
		<u>\$1,960,993</u>

Reference is hereby made to the Notes to the Pro Forma Balance Sheet appearing on page 10 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 11 hereof.

Globe Envelopes Limited

Notes to Financial Statements

Pro Forma Balance Sheet:

1. The assets acquired and liabilities assumed, as at March 31, 1960, of Kalyx Cups Limited were as follows:

ASSETS

Accounts receivable.....	\$ 22,891.39	
Inventories—at the lower of cost or market.....	53,354.55	
Prepaid expenses.....	2,078.43	
Fixed assets (less accumulated depreciation).....	112,911.33	\$191,235.70

LIABILITIES

Accounts payable.....	\$ 13,986.89	
Income taxes payable.....	1,225.03	
Other taxes payable.....	2,387.71	
Provision for vacation allowance.....	937.20	
Accrued interest.....	1,405.58	
5% Note payable to Globe Envelopes Limited, \$10,000 due December 31, 1960 and on December 31 of each succeeding year, with balance payable December 31, 1965.....	112,446.33	\$132,388.74
Net assets acquired.....		<u>\$ 58,846.96</u>

2. 19,500 Common Class A shares have been reserved by the directors of the Company to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.
3. The Company is committed to pay to the Trustees of the Globe Envelopes Limited Pension Plan the sum of \$86,420 by quarterly instalments of \$4,321 until March 31, 1965 in respect of past service liability.

Statement of Combined Earnings:

1. During the year ended March 31, 1954 the Company charged to profit and loss, moving expenses totalling \$39,483 which were of a non-recurring nature.
2. Kalyx Cups Limited was incorporated on December 29, 1955 and commenced business as of that date. Depreciation was not provided on fixed assets in the first fiscal period ended March 31, 1956. A full year's depreciation on the basis used by Kalyx Cups Limited would have been approximately \$7,000. Subsequent to March 31, 1956 Kalyx Cups Limited has recorded depreciation on fixed assets at 5% of cost on a straight line basis. Globe Envelopes Limited records depreciation at the maximum rates allowed for income tax purposes.

Auditors' Report

To the Directors of
Globe Envelopes Limited:

We have examined the pro forma balance sheet of Globe Envelopes Limited as at March 31, 1960 and the statement of combined earnings of Globe Envelopes Limited and Kalyx Cups Limited for the ten years then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us the accompanying pro forma balance sheet and the statement of combined earnings are properly drawn up so as to present fairly the financial position of the company as at March 31, 1960 after giving effect to the transactions set out in the heading of the pro forma balance sheet and the results of the combined operations of the two companies for the ten years then ended, in accordance with generally accepted accounting principles applied on a consistent basis, except as set out in Note 2 to the statement of combined earnings.

Toronto, Canada,
July 8, 1960.

(signed) Deloitte, Plender, Haskins & Sells
Chartered Accountants

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Balance Sheet as at March 31, 1960

ASSETS

Current Assets:

Cash.....	\$ 208,682	
Accounts receivable (less provision for doubtful accounts of \$21,824).....	431,496	
Inventories—at the lower of cost or market.....	395,448	
Note receivable due December 1, 1960 (including accrued interest of \$1,406).....	11,406	
Due from employees.....	1,328	
Other.....	<u>8,655</u>	\$1,057,015

Investments:

Note receivable (less current portion shown above).....	102,446	
Other—at cost.....	<u>10,000</u>	112,446

Fixed Assets:

	Cost	Accumulated depreciation	
Land.....	\$ 92,314	—	
Buildings.....	436,039	155,597	
Machinery and equipment.....	888,672	676,642	
	<u>\$1,417,025</u>	<u>\$ 832,239</u>	<u>584,786</u>
			<u><u>\$1,754,247</u></u>

Reference is hereby made to the Notes to the Balance Sheet appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited
(Incorporated under the laws of Canada)

Balance Sheet as at March 31, 1960

LIABILITIES

Current Liabilities:

Accounts payable.....	\$ 196,028	
Income taxes payable.....	93,569	
Other taxes payable.....	59,930	
Provision for vacation allowance.....	<u>34,012</u>	\$ 383,539

Capital Stock:

Authorized:

2,500 preference shares of the par value of \$100
each.....
2,000 common shares without nominal or par value

Issued and fully paid:

2,500 preference shares	250,000	
1,950 common shares.....	<u>1,950</u>	251,950

Earned Surplus.....		<u>1,118,758</u>
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Approved on behalf of the Board

(signed) I. C. Hall, Director

(signed) S. E. Beare, Director

\$1,754,247

Reference is hereby made to the Notes to the Balance Sheet appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited

Statement of Earnings

for the ten years ended March 31, 1960

	Years ended March 31		
	1960	1959	1958
Profit before depreciation and taxes on income.....	\$448,728	\$408,339	\$398,965
Depreciation.....	<u>72,817</u>	<u>76,326</u>	<u>67,104</u>
Profit before taxes on income.....	375,911	332,013	331,861
Taxes on income.....	<u>186,300</u>	<u>157,100</u>	<u>154,200</u>
Net profit.....	<u>\$189,611</u>	<u>\$174,913</u>	<u>\$177,661</u>

Reference is hereby made to the Notes to the Statement of Earnings appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited
Statement of Earnings
for the ten years ended March 31, 1960

Years ended March 31

<u>1957</u>	<u>1956</u>	<u>1955</u>	<u>1954</u> (Note 2)	<u>1953</u>	<u>1952</u>	<u>1951</u>
\$362,860	\$309,198	\$251,939	\$121,781	\$171,295	\$248,592	\$222,267
<u>61,265</u>	<u>56,003</u>	<u>76,849</u>	<u>74,863</u>	<u>68,582</u>	<u>81,729</u>	<u>94,029</u>
301,595	253,195	175,090	46,918	102,713	166,863	128,238
<u>142,250</u>	<u>116,335</u>	<u>83,157</u>	<u>18,369</u>	<u>57,052</u>	<u>90,619</u>	<u>57,273</u>
<u>\$159,345</u>	<u>\$136,860</u>	<u>\$ 91,933</u>	<u>\$ 28,549</u>	<u>\$ 45,661</u>	<u>\$ 76,244</u>	<u>\$ 70,965</u>

Reference is hereby made to the Notes to the Statement of Earnings appearing on page 16 which are an integral part hereof, and to the Report of the Company's auditors appearing on page 17 hereof.

Globe Envelopes Limited

Notes to Financial Statements

Balance Sheet:

1. The Company is committed to pay to the Trustees of the Globe Envelopes Limited Pension Plan the sum of \$86,420 by quarterly instalments of \$4,321 until March 31, 1965 in respect of past service liability.

Statement of Earnings:

1. The attached statement of earnings for the ten years ended March 31, 1960 includes the operating results of the cup division to December 29, 1955. As at December 29, 1955 the assets and liabilities of this division were sold.
2. During the year ended March 31, 1954 the Company charged to profit and loss, moving expenses totalling \$39,483 which were of a non-recurring nature.

Auditors' Report

To the Directors of
Globe Envelopes Limited:

We have examined the balance sheet of Globe Envelopes Limited as at March 31, 1960 and the statement of earnings for the ten years then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and the statement of earnings are properly drawn up so as to present fairly the financial position of the company as at March 31, 1960 and the results of its operations for the ten years then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Toronto, Canada,
July 8, 1960.

(signed) Deloitte, Plender, Haskins & Sells
Chartered Accountants

Statutory Information

1. Globe Envelopes Limited (hereinafter called the "Company") was incorporated under the laws of Canada by Letters Patent dated December 29, 1933. Supplementary Letters Patent respectively dated February 13, 1937 and July 7, 1960 were issued to the Company, the latter changing the Company from a private to a public company, authorizing the payment of commissions and confirming By-law Number 22 of the Company which: subdivided the 2,000 previously authorized common shares of the Company into 200,000 common shares without nominal or par value; reclassified such shares as 200,000 Common Class A shares without nominal or par value; and increased the capital of the Company by the creation of an additional 800,000 Common Class A shares without nominal or par value and 150,000 Common Class B shares without nominal or par value. With all reasonable despatch after July 15, 1960 the Company will apply for Supplementary Letters Patent confirming the provisions of a by-law to be enacted by its directors reducing the authorized capital of the Company by cancelling the 2,500 preference shares of the par value of \$100 each of the capital stock of the Company to be redeemed on that date and restoring to earned surplus the capital surplus resulting from such redemption. The address of the head office of the Company is 1070 Queen Street East, Toronto, Ontario.
2. The full names, descriptions, present occupations and home addresses of the directors, chief executive officers, officers and auditors of the Company are as follows:

Directors

Samuel Edward Beare.....	Executive.....	115 Bessborough Drive, Leaside, Ontario.
John Alexander Boyd.....	Executive.....	36 Maple Avenue, Toronto, Ontario.
Irving Cecil Hall.....	Executive.....	17 Parkwood Avenue, Toronto, Ontario.
John William Horsey.....	Executive.....	R.R. No. 1, Todmorden, Ontario.
William Grant Horsey.....	Executive.....	12 Daleberry Place, Willowdale, Ontario.
Lewis Willard Lawson.....	Executive.....	155 Heath Street West, Toronto, Ontario.
James Lawrence Lewtas.....	Solicitor.....	4 High Point Road, Todmorden, Ontario.
Andrew James Lynas.....	Executive.....	24 Hillside Drive South, Toronto, Ontario.
Geoffrey Edmund Phipps.....	Investment Dealer.....	81 Dunvegan Road, Toronto, Ontario.

Chief Executive Officers and Officers

John William Horsey.....	Chairman of the Board.....	R.R. No. 1, Todmorden, Ontario.
Irving Cecil Hall.....	Vice-Chairman of the Board.....	17 Parkwood Avenue, Toronto, Ontario.
Samuel Edward Beare.....	President and Managing Director.....	115 Bessborough Drive, Leaside, Ontario.
William Grant Horsey.....	Vice-President.....	12 Daleberry Place, Willowdale, Ontario.
Andrew James Lynas.....	Vice-President.....	24 Hillside Drive South, Toronto, Ontario.
James Lawrence Lewtas.....	Secretary.....	4 High Point Road, Todmorden, Ontario.
John Alexander McCleery	Treasurer.....	57 Rollscourt Drive, Willowdale, Ontario.

Auditors

Deloitte, Plender, Haskins & Sells . . . Chartered Accountants . . . 55 Yonge Street, Toronto, Ontario.

3. The Company is engaged in the manufacture and sale of envelopes, paper cups and containers.
4. The authorized share capital of the Company consists of: 2,500 preference shares of the par value of \$100 each, all of which have been issued and fully paid and are outstanding but have been called for redemption on July 15, 1960; 1,000,000 Common Class A shares without nominal or par value, of which 195,000 have been issued and fully paid and are outstanding; and 150,000 Common Class B shares without nominal or par value, of which 30,000 have been issued and fully paid and are outstanding.

The Company at its head office, 1070 Queen Street East, Toronto, keeps the registers for its preference shares and Common Class B shares.

Crown Trust Company, at Montreal, Toronto, Winnipeg and Vancouver, is the transfer agent and registrar for the Common Class A shares of the Company.

5. A description of the respective voting rights, preferences, conversion and exchange rights, rights to dividends, profits or capital of each class of shares, including redemption rights and rights on liquidation or distribution of capital assets, is as follows:

Preference Shares

All the outstanding preference shares of the par value of \$100 each have been called for redemption according to their terms on July 15, 1960, after which date the holders will have no rights in respect thereof except to receive the redemption price of \$100 and accrued dividend per share against surrender of share certificates.

Common Class A Shares and Common Class B Shares

Each Common Class A share and each Common Class B share shall rank equally and *pari passu*, and entitle the respective holders thereof to the same rights, privileges and benefits, save as follows:

- (a) prior to July 8, 1962 no cash dividends shall be paid on the Common Class B shares;
 - (b) on and after July 8, 1962 the cash dividends paid on each Common Class A share and each Common Class B share shall at all times be identical, except only that additional cash dividends (in an aggregate amount not exceeding the aggregate amount of cash dividends which would have been paid on the Common Class B shares prior to July 8, 1962 if identical cash dividends had been paid on each Common Class A share and each Common Class B share from and after July 7, 1960 to July 8, 1962) may be paid on the Common Class B shares from time to time outstanding; and
 - (c) each Common Class A share shall entitle the holder thereof to one vote and each Common Class B share shall entitle the holder thereof to three votes at all general meetings of shareholders of the Company.
6. On July 6, 1960 the Company issued a 6% Debenture in the principal amount of \$400,000, payable in 10 equal annual instalments of \$40,000 each on July 6 in each of the years 1961 to 1970, inclusive. Such debenture is unsecured and provides, *inter alia*, that in the event of any default the entire outstanding principal amount thereunder shall, at the option of the holder thereof, forthwith become due and payable, that the Company may prepay at any time the whole or from time to time any part of the outstanding principal sum thereunder without giving any notice or paying any bonus, and that the Company will not, while the same is outstanding, without the prior consent of the holder thereof, mortgage, pledge or charge any or all of its assets or undertaking, provided that the Company will have the right to mortgage, pledge or charge any assets acquired after July 6, 1960 to and in favour of the vendor or vendors thereof to secure all or any part of the purchase price thereof. Except for the said debenture and the 30,000 outstanding Common Class B shares no securities of the Company have been issued or are proposed to be issued which would rank ahead of or *pari passu* with the securities offered by this prospectus.

7. No substantial indebtedness is intended to be created or assumed which is not shown in the Pro Forma Balance Sheet as at March 31, 1960 forming part of this prospectus to which reference is hereby made.
8. The directors of the Company have reserved 19,500 Common Class A shares to enable the granting to such officers and full-time key employees of the Company as the directors may hereafter determine of options to purchase some or all of such shares at the price of \$11 per share.
9. The securities offered by this prospectus are 195,000 Common Class A shares without nominal or par value of the capital stock of the Company, which are offered to the public at the price and on the terms stated on the face of this prospectus to which reference is hereby made. No securities have been offered by the Company for subscription within the two years preceding the date of this prospectus. However, the securities respectively referred to in paragraphs 6 and 13 hereof have been issued during such period.
10. The securities offered by this prospectus are outstanding shares and no proceeds of sale will be received by the Company.

By agreement made June 13, 1960 between I. C. Hall, M. J. Reid, N. E. Phipps, S. E. Beare, A. J. Lynas and Globe Converters Holdings Limited, as vendors, Crown Trust Company (as agent for Dominion Securities Corp'n. Limited), as purchaser, and Edwin Myers and Clifford Taylor, which agreement was subsequently assigned by Crown Trust Company to Dominion Securities Corp'n. Limited, Crown Trust Company agreed to buy, and the said vendors agreed to sell, all the then outstanding 1,950 common shares without nominal or par value of the capital stock of the Company for the aggregate purchase price of \$1,950,000, such purchase price being equivalent to \$10 for each of the 195,000 Common Class A shares offered by this prospectus at \$11 per share. The expenses in connection with such purchase and such offering are estimated to be 30 cents per share, all of which are to be paid by Dominion Securities Corp'n. Limited.

11. The aggregate remuneration paid by the Company during its last financial year ended March 31, 1960 to its directors as such was \$7,500 and to its officers as such who individually received remuneration in excess of \$10,000 per annum was \$73,866.30. The aggregate remuneration estimated to be paid or payable during the current financial year of the Company to its directors as such is \$5,000, and to its officers as such who individually may be entitled to receive remuneration in excess of \$10,000 per annum is \$75,000.
12. No amount has been paid within the 2 years preceding the date of this prospectus or is payable as a commission by the Company for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or obligations of the Company.
13. Except for transactions entered into in the ordinary course of operations or on the general credit of the Company, and except as follows, no property has been purchased or acquired by the Company, or is proposed to be purchased or acquired, the purchase price of which has been paid within the 2 years preceding the date of this prospectus or is to be paid in whole or in part in securities of the Company, or the purchase or acquisition of which has not been completed at the date of this prospectus:

By agreement of purchase and sale dated July 7, 1960 made between the Company, as purchaser, and Kalyx Cups Limited, Toronto, Ontario, as vendor, the Company purchased all the assets and undertaking as at March 31, 1960 of the vendor other than cash on hand or in bank for the price of \$191,235.70 whereof \$132,388.74 was paid by the assumption of the liabilities of the vendor as at March 31, 1960 and the balance of \$58,846.96 was paid by the allotment and issuance to the vendor of 30,000 Common Class B shares of the capital stock of the Company as fully paid and non-assessable shares. The business of the vendor is deemed to have been carried on for the Company's account as a going concern from and after April 1, 1960. All the assets so purchased by the Company have been transferred to it free of encumbrance.

Mr. J. William Horsey and certain members of his family are the beneficial owners of all of the issued and outstanding shares of Maubank Limited, which is the beneficial owner of all of the issued and outstanding shares of Kalyx Cups Limited.

14. Within the 2 years preceding the date of this prospectus no securities have been issued or agreed to be issued by the Company as fully or partly paid up otherwise than in cash except the 30,000 Common Class B shares of the capital stock of the Company allotted and issued as fully paid and non-assessable shares to Kalyx Cups Limited in payment of part of the purchase price of the aforesaid assets and the undertaking of Kalyx Cups Limited pursuant to the agreement referred to in paragraph 13 hereof.
15. No amount has been paid within the 2 years preceding the date hereof or is intended to be paid to any promoter.
16. No material contracts have been entered into within the 2 years preceding the date hereof other than contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company, except:
 - (i) agreement dated September 17, 1959 made between Maubank Limited, Toronto, Canada, as purchaser, and the Company, I. C. Hall, N. E. Phipps, M. J. Reid, S. E. Beare, A. J. Lynas, S. E. Beare, Trustee, E. J. Myers and C. N. Taylor, as vendors, providing for the sale and purchase of all the issued and outstanding shares of the capital stock of Kalyx Cups Limited, being 1,950 common shares without nominal or par value and 250 preferred shares of the par value of \$100 each, for an aggregate purchase price of \$100,000;
 - (ii) agreement dated September 30, 1959 made between the Company and Kalyx Cups Limited providing, inter alia, for the management and operation by the Company of the business of Kalyx Cups Limited in consideration of a monthly management fee payable by Kalyx Cups Limited to the Company and for the carrying on of such business at the premises of the Company at 1070 Queen Street East, Toronto, Ontario, in consideration of a monthly rental payable by Kalyx Cups Limited to the Company;
 - (iii) the Debenture referred to in paragraph 6 hereof; and
 - (iv) the agreement of purchase and sale referred to in paragraph 13 hereof.

Copies of the said agreements may be inspected at the head office of the Company, 1070 Queen Street East, Toronto, Ontario, in ordinary business hours of any business day during the period of primary distribution of the securities offered hereby.

17. The by-laws of the Company provide that in addition to his remuneration in respect of his services as an officer or an employee of the Company or in any other capacity, any director shall be entitled to such remuneration either for special services or for the ordinary duties of a director as the board of directors may from time to time by resolution determine.
18. Dominion Securities Corp'n. Limited, 50 King Street West, Toronto, Ontario, as the beneficial owner of all of the outstanding 195,000 Common Class A shares of the capital stock of the Company, is in a position to, or is entitled to, elect or cause to be elected all of the directors of the Company. All of the said shares held by Dominion Securities Corp'n. Limited are offered by this prospectus.
19. During the five years preceding the date of this prospectus the Company has paid dividends aggregating \$233,262.50 of which \$87,500 was paid on the preference shares of the Company.

Dated: July 8, 1960.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), by section 39 of The Securities Act, 1954 (Saskatchewan), by section 13 of the Security Frauds Prevention Act (New Brunswick), by Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible.

Directors

(signed) I. C. Hall

(signed) S. E. Beare

(signed) A. J. Lynas

(signed) Grant Horsey

(signed) L. W. Lawson

(signed) G. E. Phipps

(signed) James L. Lewtas

(signed) J. W. Horsey
by James L. Lewtas, Agent

(signed) J. A. Boyd
by James L. Lewtas, Agent

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by section 39 of The Securities Act (Ontario), by section 39 of The Securities Act, 1954 (Saskatchewan), by section 13 of the Security Frauds Prevention Act (New Brunswick), by Part IX of The Securities Act, 1955 (Alberta) and under the Quebec Securities Act, and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge, we have relied upon the accuracy and adequacy of the foregoing.

DOMINION SECURITIES CORPN. LIMITED

By: (signed) Peter Jaffray

The following are the names of every person having an interest, either directly or indirectly, to the extent of not less than 5% in the capital of Dominion Securities Corp'n. Limited; G. E. Phipps, G. P. Rutherford, H. N. Bawden, N. D. Young, J. G. K. Strathy, S. E. Nixon, D. H. Ward, J. R. Clarke, A. I. Matheson and C. E. Jolly.

Outstanding Shares

195,000
Common Class A Shares



**Globe Envelopes
Limited**

Prospectus

Price: \$11 per share

July 8, 1960

Printed in Canada

PREFERENCE SHARES (Continued)—

YEAR	DATE PAID	RATE	AGGREGATE AMOUNT
1957	January 2, 1957	\$1.75	\$4,375
	April 1, 1957	1.75	4,375
	July 1, 1957	1.75	4,375
	October 1, 1957	1.75	4,375
1958	January 2, 1958	1.75	4,375
	April 1, 1958	1.75	4,375
	July 1, 1958	1.75	4,375
	October 1, 1958	1.75	4,375
1959	January 1, 1959	1.75	4,375
	April 1, 1959	1.75	4,375
	July 1, 1959	1.75	4,375
	October 1, 1959	1.75	4,375
1960	January 1, 1960	1.75	4,375

COMMON SHARES

YEAR	DATE PAID	RATE	AGGREGATE AMOUNT
1957	April 15, 1957	\$5.75	\$11,212.50
	July 15, 1957	5.75	11,212.50
	October 15, 1957	5.75	11,212.50
1958	January 15, 1958	5.75	11,212.50
	April 15, 1958	5.75	11,212.50
	July 15, 1958	5.75	11,212.50
	October 15, 1958	5.75	11,212.50
1959	January 15, 1959	5.75	11,212.50
	April 15, 1959	5.75	11,212.50
	July 15, 1959	5.75	11,212.50
	October 15, 1959	5.75	11,212.50
1960	January 15, 1960	5.75	11,212.50

The directors have declared a dividend of 13¢ per share on the Common Class A shares payable November 1, 1960 to holders of record October 15, 1960.

9. RECORD OF PROPERTIES

The Company owns and operates a modern manufacturing plant located at 1070 Queen Street East, Toronto, Ontario, which includes office facilities for its head office and executive and clerical staff. The plant has a floor area of approximately 70,000 square feet. In addition the Company leases for its use as a warehouse approximately 15,000 square feet at 68 Broadview Avenue, Toronto, Ontario.

10. SUBSIDIARY COMPANIES

The Company has no subsidiary or controlled companies.

11. FUNDED DEBT

	AUTHORIZED	ISSUED	OUTSTANDING
6% Debenture payable in 10 equal annual instalments on July 6 in each of the years 1961 to 1970, inclusive	\$400,000	\$400,000	\$400,000

12. OPTIONS, UNDERWRITING, ETC.

The directors of the Company have reserved 19,500 Common Class A shares without nominal or par value of the capital stock of the Company to enable the granting to such officers and full-time key employees of the Company as the directors may determine of options to purchase some or all of such shares at the price of \$11 per share. Other than the foregoing the Company has no option, underwriting agreement, sale agreement or other contract or agreement of like nature outstanding with regard to any of its unissued shares and no issued shares of the Company are held for its benefit.

13. LISTING ON OTHER STOCK EXCHANGES

None of the Company's securities are listed on any other stock exchange.

14. STATUS UNDER SECURITIES ACTS

Permission has been granted to offer 195,000 Common Class A shares without nominal or par value of the capital stock of the Company in all provinces of Canada other than Prince Edward Island and Newfoundland.

15. FISCAL YEAR

The fiscal year of the Company ends on March 31 in each year.

16. ANNUAL MEETING

The by-laws of the Company provide that the annual meeting shall be held at such time and place in each year as the board of directors shall from time to time determine. The last annual meeting was held on May 19, 1960.

17.

HEAD AND OTHER OFFICES

The head office of the Company is located at 1070 Queen Street East, Toronto, Ontario and branch offices are located at 7000 Park Avenue, Montreal, Quebec, 428 Rideau Street, Ottawa, Ontario, and 66 King Street, Winnipeg, Manitoba.

18.

TRANSFER AGENT

Crown Trust Company, at Montreal, Toronto, Winnipeg and Vancouver, is the transfer agent for the Common Class A shares without nominal or par value of the Company.

19.

TRANSFER FEE

No fee is charged upon transfers other than the customary Government stock transfer taxes.

20.

REGISTRAR

Crown Trust Company, at Montreal, Toronto, Winnipeg and Vancouver, is the Registrar for the Common Class A shares without nominal or par value of the Company. The Company keeps the registers for its Common Class B shares without nominal or par value at its head office.

21.

AUDITORS

The auditors of the Company are Deloitte, Plender, Haskins & Sells, Chartered Accountants, 55 Yonge Street, Toronto, Ontario.

22. OFFICERS:

John William Horsey	Chairman of the Board	R.R. No. 1, Todmorden, Ontario.
Irving Cecil Hall	Vice-Chairman of the Board	17 Parkwood Avenue, Toronto, Ontario.
Samuel Edward Beare	President and Managing Director	115 Bessborough Drive, Leaside, Ontario.
William Grant Horsey	Vice-President	12 Daleberry Place, Willowdale, Ontario.
Andrew James Lynas	Vice-President	24 Hillside Drive South, Toronto, Ontario.
James Lawrence Lewtas	Secretary	4 High Point Road, Todmorden, Ontario.
John Alexander McCleery	Treasurer	57 Rollscourt Drive, Willowdale, Ontario.

23. DIRECTORS:

Samuel Edward Beare	Executive	115 Bessborough Drive, Leaside, Ontario.
John Alexander Boyd	Executive	36 Maple Avenue, Toronto, Ontario.
Irving Cecil Hall	Executive	17 Parkwood Avenue, Toronto, Ontario.
John William Horsey	Executive	R.R. No. 1, Todmorden, Ontario.
William Grant Horsey	Executive	12 Daleberry Place, Willowdale, Ontario.
Lewis Willard Lawson	Executive	155 Heath Street West, Toronto, Ontario.
James Lawrence Lewtas	Solicitor	4 High Point Road, Todmorden, Ontario.
Andrew James Lynas	Executive	24 Hillside Drive South, Toronto, Ontario.
Geoffrey Edmund Phipps	Investment Dealer	81 Dunvegan Road, Toronto, Ontario.

CERTIFICATE

Pursuant to a resolution duly passed by its board of directors the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



GLOBE ENVELOPES LIMITED

by:

"S. E. BEARE", *President*"JAMES L. LEWTAS", *Secretary*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of Common Class A Stock as of August 5, 1960

Number		Shares
467	Holders of 1 - 100 share lots	28,732
65	" " 101 - 200 " "	12,060
21	" " 201 - 300 " "	5,870
5	" " 301 - 400 " "	1,950
21	" " 401 - 500 " "	10,380
10	" " 501 - 1000 " "	7,427
20	" " 1001 - up " "	128,581
609	Stockholders	Total shares.....195,000